



Senate

General Assembly

February Session, 2018

File No. 334

Senate Bill No. 375

Senate, April 9, 2018

The Committee on Insurance and Real Estate reported through SEN. LARSON of the 3rd Dist. and SEN. KELLY of the 21st Dist., Chairpersons of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS'
RECOMMENDATIONS FOR TECHNICAL AND OTHER CHANGES TO
THE INSURANCE STATUTES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (4) of subsection (b) of section 38a-78 of the
2 2018 supplement to the general statutes is repealed and the following
3 is substituted in lieu thereof (*Effective October 1, 2018*):

4 (4) The commissioner may adopt regulations, in accordance with the
5 provisions of chapter 54, to provide for a transition period for a life
6 insurance company to establish any higher reserves that the qualified
7 [acteam] actuary may deem necessary in order to render the opinion
8 required under this subsection.

9 Sec. 2. Subdivision (6) of subsection (e) of section 38a-91rr of the
10 2018 supplement to the general statutes is repealed and the following
11 is substituted in lieu thereof (*Effective October 1, 2018*):

12 (6) Unless the sponsor consents and the commissioner has granted
13 prior written approval, the assets of a sponsored captive insurance
14 company's general account shall not be used to pay any expense or
15 claim attributable solely to one or more protected cells of the
16 sponsored captive insurance company. If the assets of a sponsored
17 captive insurance company's general account are used to pay expenses
18 or claims attributable solely to one or more of the company's protected
19 cells, the sponsor shall not be required to contribute additional capital
20 and surplus to the company's general account. Notwithstanding any
21 provision of this subdivision, the sponsor [must] shall satisfy the
22 minimum capital and surplus requirements applicable to such sponsor
23 in order to maintain its license; and

24 Sec. 3. Subsection (b) of section 38a-182 of the 2018 supplement to
25 the general statutes is repealed and the following is substituted in lieu
26 thereof (*Effective October 1, 2018*):

27 (b) Each such agreement shall contain the following provisions: (1)
28 Name and address of the health care center; (2) eligibility
29 requirements; (3) a statement of copayments, deductibles or other out-
30 of-pocket expenses payment payable by the subscriber; (4) a statement
31 of the nature of the health care services or benefits to be furnished and
32 the period during which they will be furnished, and, if there are any
33 services or benefits to be excepted, a detailed statement of such
34 exceptions, provided [that] such services or benefits to be furnished
35 conform at a minimum to the requirements of the Federal Health
36 Maintenance Organization Act; (5) a statement of terms and conditions
37 upon which the agreement may be cancelled or otherwise terminated
38 at the option of either party; (6) claims procedures; (7) enrollee
39 grievance procedures; (8) continuation of coverage; (9) conversion; (10)
40 extension of benefits, if any; (11) subrogation, if any; (12) description of
41 the service area, out-of-area benefits and services, if any; (13) a
42 statement of the amount payable to the health care center by the
43 subscriber and by others on [his] the subscriber's behalf and the
44 manner in which such amount is payable; (14) a statement that the
45 agreement includes the endorsement thereon and attached papers, if

46 any, and contains the entire agreement; (15) a statement that no
47 statement by the subscriber in [his] the subscriber's application for an
48 agreement shall void the agreement or be used in any legal proceeding
49 thereunder, unless such application or an exact copy thereof is
50 included in or attached to such agreement; and (16) a statement of the
51 period of grace which will be allowed the subscriber for making any
52 payment due under the agreement, which period shall not be less than
53 ten days.

54 Sec. 4. Subsection (b) of section 38a-188 of the 2018 supplement to
55 the general statutes is repealed and the following is substituted in lieu
56 thereof (*Effective October 1, 2018*):

57 (b) The commissioner may adopt regulations, in accordance with
58 chapter 54, stating the circumstances under which the resources of a
59 person that controls a health care center, or operates a health care
60 center as a line of business, will be considered in evaluating the
61 financial condition of a health care center. Such regulations, if adopted,
62 shall require as a condition to the consideration of the resources of
63 such person that controls a health care center, or operates a health care
64 center as a line of business, to provide satisfactory assurances to the
65 commissioner that such person will assume the financial obligations of
66 the health care center. During the period prior to the effective date of
67 regulations issued under this section, the commissioner shall, upon
68 request, consider the resources of a person that controls a health care
69 center, or operates a health care center as a line of business, if the
70 commissioner receives satisfactory assurances from such person that it
71 will assume the financial obligations of the health care center and
72 determines that such person meets such other requirements as the
73 commissioner determines are necessary.

74 Sec. 5. Subdivision (2) of subsection (c) of section 38a-395 of the 2018
75 supplement to the general statutes is repealed and the following is
76 substituted in lieu thereof (*Effective October 1, 2018*):

77 (2) Details about the injury or loss, including: (A) The date of the
78 injury or loss that was the basis of the claim; (B) the date the injury or

79 loss was reported to the insurer; (C) the name of the institution or
80 location at which the injury or loss occurred; (D) the type of injury or
81 loss, including a severity of injury rating that corresponds with the
82 severity of injury scale that the Insurance Commissioner shall establish
83 based on the severity of injury scale developed by the National
84 Association of Insurance Commissioners; and (E) the name, age and
85 gender of any injured person covered by the claim. Any individually
86 identifiable health information, as defined in 45 CFR 160.103, as
87 amended from time to time, [amended,] submitted pursuant to this
88 subdivision shall be confidential. The reporting of the information is
89 required by law. If necessary to comply with federal privacy laws,
90 including the Health Insurance Portability and Accountability Act of
91 1996, [(P.L. 104-191) (HIPAA), as from time to time amended,] P.L. 104-
92 191, as amended from time to time, the insured shall arrange with the
93 insurer to release the required information.

94 Sec. 6. Subdivision (4) of subsection (d) of section 38a-395 of the 2018
95 supplement to the general statutes is repealed and the following is
96 substituted in lieu thereof (*Effective October 1, 2018*):

97 (4) Not later than June 30, 2018, and annually thereafter, the
98 commissioner shall submit the annual report to the joint standing
99 committee of the General Assembly having cognizance of matters
100 relating to insurance in accordance with section 11-4a. The
101 commissioner shall also (A) make the report available to the public, (B)
102 post the report on its Internet web site, and (C) provide public access
103 to the contents of the electronic database after the commissioner
104 establishes that the names and other individually identifiable
105 information about the claimant and practitioner have been removed.

106 Sec. 7. Subparagraph (A) of subdivision (1) of subsection (b) of
107 section 38a-398 of the 2018 supplement to the general statutes is
108 repealed and the following is substituted in lieu thereof (*Effective*
109 *October 1, 2018*):

110 (b) (1) (A) Any individual or business entity that wishes to act as a
111 limited lines travel insurance producer in this state may apply to the

112 Insurance Commissioner for authorization to act as a limited lines
113 travel insurance producer and to sell, solicit or negotiate travel
114 insurance through an insurance company licensed or authorized to do
115 business in this state. Such application shall be submitted on such form
116 and in such manner as prescribed by the commissioner and shall be
117 accompanied by the fee required under section 38a-11. The
118 commissioner shall not approve such application unless (i) the
119 applicant has paid all applicable filing and licensing fees required
120 under [this section and] this title, and (ii) for an applicant that is a
121 business entity, the employee designated pursuant to subparagraph
122 (A) of subdivision (3) of this subsection and the president, secretary,
123 treasurer and any other officer or individual who directs or controls
124 the insurance operations of the applicant has complied with any
125 fingerprinting requirements applicable to insurance producers in the
126 resident state of the applicant.

127 Sec. 8. Subsection (b) of section 38a-457 of the general statutes is
128 repealed and the following is substituted in lieu thereof (*Effective*
129 *October 1, 2018*):

130 (b) On and after October 1, 1990, any life insurance company or
131 fraternal [benefits] benefit society doing business in this state may
132 issue accelerated benefits life insurance policies, as described in this
133 section, and certificates, riders or endorsements to existing life
134 insurance policies that provide accelerated benefits, as described in
135 this section.

136 Sec. 9. Subdivisions (3) and (4) of section 38a-479aaa of the general
137 statutes are repealed and the following is substituted in lieu thereof
138 (*Effective October 1, 2018*):

139 (3) "Drug" [means drug, as defined] has the same meaning as
140 provided in section 21a-92;

141 (4) "Person" [means person, as defined] has the same meaning as
142 provided in section 38a-1;

143 Sec. 10. Subdivision (7) of subsection (e) of section 38a-488a of the
144 2018 supplement to the general statutes is repealed and the following
145 is substituted in lieu thereof (*Effective October 1, 2018*):

146 (7) An advanced practice registered nurse licensed under the
147 provisions of chapter 378.

148 Sec. 11. Subsection (b) of section 38a-490a of the general statutes is
149 repealed and the following is substituted in lieu thereof (*Effective*
150 *October 1, 2018*):

151 (b) No such policy shall impose a coinsurance, copayment,
152 deductible or other out-of-pocket expense for such services, except that
153 a high deductible [health] plan, as that term is used in subsection (f) of
154 section 38a-493, shall not be subject to the deductible limits set forth in
155 this section.

156 Sec. 12. Subdivision (2) of subsection (b) of section 38a-492k of the
157 general statutes is repealed and the following is substituted in lieu
158 thereof (*Effective October 1, 2018*):

159 (2) A coinsurance, copayment, deductible or other out-of-pocket
160 expense for any additional colonoscopy ordered in a policy year by a
161 physician for an insured. The provisions of this subdivision shall not
162 apply to a high deductible [health] plan as that term is used in
163 subsection (f) of section 38a-493.

164 Sec. 13. Subsection (b) of section 38a-492o of the general statutes is
165 repealed and the following is substituted in lieu thereof (*Effective*
166 *October 1, 2018*):

167 (b) No such policy shall impose a coinsurance, copayment,
168 deductible or other out-of-pocket expense for such testing in excess of
169 twenty per cent of the cost for such testing per year. The provisions of
170 this subsection shall not apply to a high deductible [health] plan as
171 that term is used in subsection (f) of section 38a-493.

172 Sec. 14. Subsection (c) of section 38a-511 of the general statutes is

173 repealed and the following is substituted in lieu thereof (*Effective*
174 *October 1, 2018*):

175 (c) The provisions of subsections (a) and (b) of this section shall not
176 apply to a high deductible [health] plan as that term is used in
177 subsection (f) of section 38a-493.

178 Sec. 15. Subdivision (7) of subsection (e) of section 38a-514 of the
179 2018 supplement to the general statutes is repealed and the following
180 is substituted in lieu thereof (*Effective October 1, 2018*):

181 (7) An advanced practice registered nurse licensed under the
182 provisions of chapter 378.

183 Sec. 16. Subsection (b) of section 38a-516a of the general statutes is
184 repealed and the following is substituted in lieu thereof (*Effective*
185 *October 1, 2018*):

186 (b) No such policy shall impose a coinsurance, copayment,
187 deductible or other out-of-pocket expense for such services, except that
188 a high deductible [health] plan, as that term is used in subsection (f) of
189 section 38a-520, shall not be subject to the deductible limits set forth in
190 this section.

191 Sec. 17. Subdivision (2) of subsection (b) of section 38a-518k of the
192 general statutes is repealed and the following is substituted in lieu
193 thereof (*Effective October 1, 2018*):

194 (2) A coinsurance, copayment, deductible or other out-of-pocket
195 expense for any additional colonoscopy ordered in a policy year by a
196 physician for an insured. The provisions of this subdivision shall not
197 apply to a high deductible [health] plan as that term is used in
198 subsection (f) of section 38a-520.

199 Sec. 18. Subsection (b) of section 38a-518o of the general statutes is
200 repealed and the following is substituted in lieu thereof (*Effective*
201 *October 1, 2018*):

202 (b) No such policy shall impose a coinsurance, copayment,
203 deductible or other out-of-pocket expense for such testing in excess of
204 twenty per cent of the cost for such testing per year. The provisions of
205 this subsection shall not apply to a high deductible [health] plan as
206 that term is used in subsection (f) of section 38a-520.

207 Sec. 19. Subsection (c) of section 38a-550 of the general statutes is
208 repealed and the following is substituted in lieu thereof (*Effective*
209 *October 1, 2018*):

210 (c) The provisions of subsections (a) and (b) of this section shall not
211 apply to a high deductible [health] plan as that term is used in
212 subsection (f) of section 38a-520.

213 Sec. 20. Subdivision (2) of subsection (c) of section 38a-591f of the
214 general statutes is repealed and the following is substituted in lieu
215 thereof (*Effective October 1, 2018*):

216 (2) If the health carrier is unable to comply with the time period
217 specified in subdivision (1) of this subsection due to circumstances
218 beyond the health carrier's control, the time period may be extended
219 by the health carrier for up to ten business days, provided [that] on or
220 before the twentieth business day after the health carrier received the
221 grievance, the health carrier provides written notice to the covered
222 person and, if applicable, the covered person's authorized
223 representative of the extension and the reasons for the delay.

224 Sec. 21. Subsection (f) of section 38a-720j of the 2018 supplement to
225 the general statutes is repealed and the following is substituted in lieu
226 thereof (*Effective October 1, 2018*):

227 (f) Any license issued to a third-party administrator shall be in force
228 until September thirtieth of each year, unless sooner revoked or
229 suspended as provided in this section. The license may be renewed, at
230 the discretion of the commissioner, upon payment of the fee specified
231 in section 38a-11 [.] and submission of the renewal filing under section
232 38a-720l.

233 Sec. 22. Subsection (j) of section 38a-930 of the 2018 supplement to
 234 the general statutes is repealed and the following is substituted in lieu
 235 thereof (*Effective October 1, 2018*):

236 (j) If an insurer, [shall,] directly or indirectly, within four months
 237 before the filing of a successful petition for liquidation under sections
 238 38a-903 to 38a-961, inclusive, or at any time in contemplation of a
 239 proceeding to liquidate it, [pay] pays money or [transfer] transfers
 240 property to an attorney-at-law for services rendered or to be rendered,
 241 the transaction may be examined by the court on its own motion or
 242 shall be examined by the court on petition of the liquidator and shall
 243 be held valid only to the extent of a reasonable amount to be
 244 determined by the court, and the excess may be recovered by the
 245 liquidator for the benefit of the estate, provided [that where] if the
 246 attorney is in a position of influence in the insurer or an affiliate
 247 thereof payment of any money or the transfer of any property to the
 248 attorney-at-law for services rendered or to be rendered shall be
 249 governed by the provisions of subdivision (2) of subsection (a) of this
 250 section.

251 Sec. 23. Subdivision (17) of subsection (c) of section 38a-1083 of the
 252 2018 supplement to the general statutes is repealed and the following
 253 is substituted in lieu thereof (*Effective October 1, 2018*):

254 (17) Evaluate jointly with the [SustiNet] Health Care Cabinet
 255 established pursuant to section 19a-725 the feasibility of implementing
 256 a basic health program option as set forth in Section 1331 of the
 257 Affordable Care Act;

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2018</i>	38a-78(b)(4)
Sec. 2	<i>October 1, 2018</i>	38a-91rr(e)(6)
Sec. 3	<i>October 1, 2018</i>	38a-182(b)
Sec. 4	<i>October 1, 2018</i>	38a-188(b)
Sec. 5	<i>October 1, 2018</i>	38a-395(c)(2)
Sec. 6	<i>October 1, 2018</i>	38a-395(d)(4)

Sec. 7	<i>October 1, 2018</i>	38a-398(b)(1)(A)
Sec. 8	<i>October 1, 2018</i>	38a-457(b)
Sec. 9	<i>October 1, 2018</i>	38a-479aaa(3) and (4)
Sec. 10	<i>October 1, 2018</i>	38a-488a(e)(7)
Sec. 11	<i>October 1, 2018</i>	38a-490a(b)
Sec. 12	<i>October 1, 2018</i>	38a-492k(b)(2)
Sec. 13	<i>October 1, 2018</i>	38a-492o(b)
Sec. 14	<i>October 1, 2018</i>	38a-511(c)
Sec. 15	<i>October 1, 2018</i>	38a-514(e)(7)
Sec. 16	<i>October 1, 2018</i>	38a-516a(b)
Sec. 17	<i>October 1, 2018</i>	38a-518k(b)(2)
Sec. 18	<i>October 1, 2018</i>	38a-518o(b)
Sec. 19	<i>October 1, 2018</i>	38a-550(c)
Sec. 20	<i>October 1, 2018</i>	38a-591f(c)(2)
Sec. 21	<i>October 1, 2018</i>	38a-720j(f)
Sec. 22	<i>October 1, 2018</i>	38a-930(j)
Sec. 23	<i>October 1, 2018</i>	38a-1083(c)(17)

INS *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

This bill makes various technical corrections to the insurance statutes and has no fiscal impact.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**SB 375*****AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR TECHNICAL AND OTHER CHANGES TO THE INSURANCE STATUTES.*****SUMMARY**

This bill makes various technical corrections in the insurance statutes.

EFFECTIVE DATE: October 1, 2018.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 21 Nay 0 (03/20/2018)